



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

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Lieutenant Governor

February 6, 2004

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 3045

Ken George, Quarry Coordinator
Holcim (US), Inc.
6055 East Croydon Road
Auxiliary Route #3
Morgan, Utah 84050

Subject: Notice of Potential Non-Compliance & Division Directive, Holcim (US), Inc, Devils Slide Quarry, M/029/001, Morgan County, Utah

Dear Mr. George:

On February 12, 2003, we received a copy of a topographic map of the Devils Slide Plant & Quarry Area dated June 11, 2001. Holcim furnished this map in response to a Division request for an updated map of the quarry area for bond escalation purposes. This map included Holcim's property line and an outline of the disturbed area boundary. The map did not include an outline of Holcim's approved permit (affected) area.

We have overlaid the February 12, 2003 map, with an outline of the approved permit (affected) area boundary. Upon review of this revised map, it appears that Holcim has disturbed areas outside of the 396 acre permit boundary. Mining outside the permit area places Holcim in a potential non-compliance situation. If true, this is a serious concern that must be resolved as soon as possible.

Additionally, we would like to discuss the details of the original approved mining and reclamation plan that appear to be out of date, based upon our understanding of the current mine site conditions. Discussions may include: an evaluation of the permitting requirements for the plant site/processing area, variance provisions, and supplemental bonding requirements for surface disturbance that may not have been properly permitted under the approved plan.

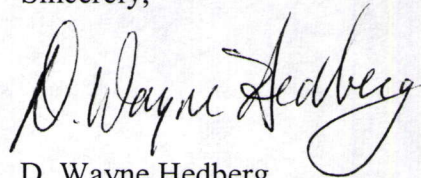
Ken George
Page 2 of 2
M/029/001
February 6, 2004

We hereby request that you contact the Division within 10 days of your receipt of this letter to schedule a meeting to discuss possible options to remedy this situation. Please contact Joelle Burns, Engineering Technician, at (801) 538-5291 to arrange a convenient date and time for this meeting. Should you fail to respond in a timely manner, we may be forced to pursue more formal enforcement action as authorized under state mining statutes and the administrative rules.

Division Directive: *Until this issue is resolved, you are directed to restrict your mining operations to the 396-acre area as identified in your approved 1985 Large Mine Notice of Intention, and the 184.5 acre mine plan amendment approved March 2002.*

If you have any questions regarding this Directive, please contact me at (801) 538-5286, or Doug Jensen at 538-5382. Thank you for your immediate attention to this matter.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: Mary Ann Wright, DOGM
Doug Jensen, DOGM
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